

To: House Committee on Revenue **From:** Larry Didway, Superintendent

Date: February 19, 2024 **RE:** HB 4079 – Support

Oregon's student funding formula currently falls short of its intended goal to ensure equity in public education. Many children in Oregon, identified with significant educational challenges, lack access to necessary resources. House Bill 4079 aims to address this shortfall by eliminating the 11% cap on state funds available to school districts for students with disabilities and by providing additional funds based on the number of homeless students.

The Clackamas Education Service District (CESD) encompasses ten school districts serving over 66,000 students. Data from the 2022-23 school year shows the percentage of students qualifying for special education services and the count of those identified as homeless, highlighting the pressing need for enhanced support.

District	Special Education	Homeless
Canby SD 86	15%	93
Colton SD 53	14%	0
Estacada SD 108	12%	24
Gladstone SD 115	16%	36
Lake Oswego SD 7J	12%	55
Molalla River SD 35	17%	50
North Clackamas SD 12	18%	341
Oregon City SD 62	16%	193
Oregon Trail SD 46	14%	107
West Linn-Wilsonville SD 3J	14%	39

Currently, every school district within the CESD service area exceeds the 11% cap for special education funding, forcing them to allocate general fund resources to cover the

shortfall. Similarly, districts struggle to meet the unique needs of homeless students without extra state funding. Adjusting the cap for special education funding and allocating additional funds for homeless students would significantly advance equitable funding.

Concerns have been raised that these changes may incentivize districts to over-identify students to receive more state funding. However, districts are already mandated by law to identify students who qualify for special education services or homelessness. The statewide percentage of students with disabilities stands at 15%, as reported in Oregon's 2022-23 Statewide Annual Report Card.

Implementing these funding formula changes will necessitate increased investment in the state school fund to prevent it from becoming a zero-sum situation. To truly enhance access to essential services for our most needy students, an overall increase in the state school fund is essential.

I strongly advocate for the support of HB 4079, coupled with a corresponding increase in the state school fund, to foster a more equitable educational environment for all of Oregon's students.